

## The Free Trade With Cuba Act of 2003: Expanding Trade While Promoting Democracy and Human Rights

April 2003

In 1962, the United States embargoed virtually all trade with Cuba as a response to the rise of a totalitarian regime and the seizure of American property. Over the years, U.S. sanctions against Cuba were further tightened, culminating with restrictions on the rights of Americans to visit Cuba.

However, these efforts appear to have had little – if any – effect. Over forty years of embargo have done nothing to improve the living conditions or the prospects for democratic reform in Cuba.

In order to rectify the failures in U.S. policy and promote reform in Cuba, Senator Max Baucus introduced the Free Trade with Cuba Act of 2003 (S. 403) on February 12, 2003. This legislation represents an important step towards normalizing the United States' economic relations with Cuba and opening a dialogue between our two nations.

The Free Trade with Cuba Act will:

- ★ ***Lift the trade embargo against Cuba.*** The embargo against Cuba accomplishes nothing but to hurt our farmers, our workers, and our companies. Despite its relatively small size, Cuba offers a potentially significant market to U.S. exporters. A 2001 study by the U.S. International Trade Commission found that, in the absence of sanctions, U.S. exports to Cuba would average between \$650 million and \$1 billion annually. Agriculture exporters, in particular, stand to gain from an end to the trade embargo.
- ★ ***Remove the restrictions on travel between our two countries.*** Perhaps the most outrageous aspect of the United States' Cuba policy are the restrictions preventing United States citizens from traveling freely to and from Cuba. The United States' most valuable exports have always been its people and its ideas. Because of the travel ban, the Cuban people have had very little exposure to either.
- ★ ***Authorize the President to negotiate a settlement of outstanding U.S. claims against Cuba.*** The United States has a long list of outstanding claims against the government of Cuba relating to the seizure of property when the current regime came to power. Reaching a negotiated settlement that compensates U.S. property holders without imposing unmanageable burdens upon the Cuban people is an important step towards closing the book on a failed policy.
- ★ ***Promote human rights and democracy.*** Cuba has suffered under totalitarian rule for more than four decades. This legislation authorizes the President to enter into negotiations with the government of Cuba for the purpose of securing the protection of internationally recognized human rights.

Forty years of the embargo - four decades of disengagement - have simply not worked. It is time to try a new approach. It is time for engagement.